

CONFIDENTIAL

REPORT NO.

CD NO. INTELOFAX 13

DATE DISTR. 10 April 1951

NO. OF PAGES 2

uirements

REFERENCE COPY

DO NOT CIRCULATE

NO
(LIS)

SU

ACQUIRED

NO. OF ENCLS.
(LISTED BELOW)

DATE OF 25X1A

SUPPLEMENT TO
REPORT NO.

INFO
25X1X

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT OF U.S.C. 81 AND 82. AS AUTHORIZED, ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

25X1X

SOURCE

1. The Yugoslav Government is reportedly compiling a list of agricultural, industrial and textile requirements which it will present to the United States Government in the near future with a request for financial aid to meet these import needs. Aid justification and specific requirements will allegedly include the following:
 - a. The fishing industry's yield is presently approximately 20,000 tons. This yield could be increased about fifty percent with new equipment including 100 fishing boat engines (cost, 50,000,000 dinars) and research instruments for the fish industry (cost, 5,000,000 dinars).
 - b. Consumption of sugar in Yugoslavia is approximately 125,000 tons, or 7.5 kilograms per person a year. Eighteen thousand tons of sugar (cost, approximately 240,000,000 dinars) and the reconstruction of existing sugar factories (cost, approximately 29,000,000 dinars) is required. Such reconstruction should increase average consumption of 7.5 kilograms per person to 8.6 kilograms per person per year. (The average pre-war European sugar consumption was 24 kilograms, compared to consumption in the United States of about 49 kilograms.)
 - c. Production of cereal grains, it is estimated, could be increased 150,000 tons with the import of fertilizers such as 25,000 tons of bound azote, (cost, 780,000,000 dinars) and 110,000 tons of azote fertilizer.
 - d. Yugoslav consumption of tinned fruits and vegetables is very small. Tomato products are exported in considerable quantity. It is estimated that the following imports for industrial processing are necessary: three factories for canning fruit juices (cost, about 6,000,000 dinars); a factory for manufacturing tinned peas (2 x 720 tons; cost, 6,200,000 dinars); two factories for manufacturing tin cans (20,000/8; cost, 3,600,000 dinars); machinery for processing tinned tomatoes (cost, 3,100,000 dinars); reconstruction items for existing factories (cost, 3,100,000 dinars).
 - e. Present cement production in Yugoslavia is about 1,400,000 tons. Since there are large raw material resources, cement production would increase about 28.5 percent if the following could be built: one cement factory

~~CONFIDENTIAL~~
CLASSIFICATION - SECRET/CONTROL - U. S. OFFICIALS ONLY

STATE EV.	X	NAVY		NRSB	DISTRIBUTION					
ARMY	X	AIR		FBI	ECA	X				

Document No. 14

No Change in Class.

Class. Changed To
Auth. HR 70-2

CONFIDENTIAL

SECRET CONTROL - U. S. OFFICIALS ONLY

CENTRAL INTELLIGENCE AGENCY

25X1A

- 2 -

with a capacity of 300,000 tons (cost, 270,000,000 dinars), and a factory with a capacity of 100,000 tons (cost, 75,000,000 dinars).

- f. Yugoslavia presently has about 6,500 tractors, most of which are unusable. It is estimated that with the import of 10,000 new tractors (cost, 1,500,000,000 dinars), together with tractor implements and spare parts (cost, 200,000,000 dinars), approximately 1,000,000 hectares of ploughed soil would result. This, in turn, would increase the income from wheat-growing areas and set approximately 20,000 workers free for other work.*
 - g. The tobacco industry requires the import of machinery (cost, 8,400,000 dinars) for improved production.
 - h. With imported and existing land reclamation equipment, 250,000 hectares of land, including 100,000 hectares of new land, could be drained and 50,000 hectares irrigated. Maize production, through drainage, could be increased by 500,000 tons. The equipment necessary for these improvements includes: 45 dredging machines (capacity, 1,050 tons; cost, 62,500,000 dinars); 16 scrapers and bulldozers (capacity, 128 tons; cost, 10,800,000 dinars); 100 motors for reserve (sic) (capacity, 250 tons; cost, 20,000,000 dinars).
 - i. Silk production could be increased by 250 percent with the import of 3,150 tons of artificial silk (which would produce 20,000,000 m² of silk material). Cotton and woolen production would be increased by 25 percent with the import of 10,500 tons of staple fiber (which would produce 38,000,000 m² woolen material). In addition, the following items must be imported: 700 tons of cord silk; 700 tons of cellophane; 17,500 tons of cellulose; 17,500 tons of caustic soda; 25,000 tons of sulphuric acid; 15,540 tons of chloride limestone, and 7,000 tons of carbon disulphide. The cost of these imports is estimated at 1,118,000,000 dinars.
 - j. Existing Yugoslav slaughter houses are insufficient to handle seasonal slaughtering and canning for the greater part of meat products. Large weight and winter fodder losses result. Meat products, particularly bacon, are important export items. It is estimated that the following import requirements are necessary: four seasonal-type slaughter houses (capacity, 4,300 tons; cost, 2,666,000 dinars each); four communal-type slaughter houses (capacity, 10,500 tons; cost, 3,850,000 dinars each); three industrial-type slaughter houses (capacity, 10,500 tons; cost, 6,000,000 dinars each); two complete factories for blood processing (cost, 1,200,000 dinars each); a factory for manufacturing tinned meat (capacity, 12,000 tons; cost, 7,300,000 dinars); reconstruction items for existing slaughter houses (cost, 9,390,000 dinars); one bacon factory (capacity, 2,500 tons; cost, 2,010,000 dinars); two factories for ham and lunch meat (capacity, 6,000 tons; cost, 3,950,000 dinars).
2. The total expenditure for these import needs is estimated at 4,518,090,000 dinars.

25X1A

25X1A

Comment: Your attention is called to [REDACTED] which reports on the purchase of Italian tractors and the utilization of their Alfa-Romeo engines in Yugoslav tanks.

CONFIDENTIAL

SECRET CONTROL - U. S. OFFICIALS ONLY